

National Wildlife Refuge Fund

Appropriations Language

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), [\$14,414,000] \$10,811,000. (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006.)

Authorizing Statutes

Refuge Revenue Sharing Act (16 U.S.C. 715s), as amended. Authorizes payments to be made to offset tax losses to counties in which Service fee and withdrawn public domain lands are located.

Alaska National Interest Lands Conservation Act (ANILCA), Section 1002 and Section 1008, 16 U.S.C. 3142 and 3148. These sections address the procedures for permitting oil and gas leases on the Arctic National Wildlife Refuge coastal plain (Section 1002) and other non-North Slope Federal lands in Alaska (Section 1008).

				FY 2007			Change From 2006 (+/-)
				Fixed Costs & Related Changes (+/-)	Program Changes (+/-)	Budget Request	
National Wildlife Refuge Fund	\$(000)	14,214	14,202	0	-3,391	10,811	-3,391
	FTE	22	22	0	0	22	0
Receipt Collections	\$(000)	11,531	6,500	0	0	6,500	0
Expenses for Sales	\$(000)	[2,828]	[3,274]	0	0	[3,274]	0
ANILCA Expenses	\$(000)	[1]	[100]	0	0	[100]	0
User-Pay Cost Share	\$(000)	[281]	[299]	0	0	[302]	[+3]
Total National Wildlife Refuge Fund		25,745	20,702	0	-3,391	17,311	-3,391
	FTE	22	22	0	0	22	0

Summary of FY 2007 Program Changes for the National Wildlife Refuge Fund

Request Component	Amount	FTE
Program Changes		
• Appropriations	-3,391	0
TOTAL, Program Changes	-3,391	0

The FY 2007, budget request for the National Wildlife Refuge Fund is \$10,811,000 and 22 FTE, a net program decrease of \$3,391,000 and 0 FTE from the 2006 enacted level.

Justification of FY 2007 Program Changes

According to current projections, payments to counties in FY 2007 will equal \$13,397,000, or 30 percent of the estimated full entitlement, based on appropriations of \$10,811,000 and \$3,126,000 of estimated receipts less expenses. Even though this is a decrease from previous years, national wildlife refuges provide tangible and intangible benefits to communities that bring increased tax revenues that may offset the reductions. Refuge revenue sharing payments were not intended to replace possible tax loss due to Service acquisition, but to recognize the existence of federal ownership as Refuges and lessen potential short-term hardships on local communities.

Program Overview

The *Refuge Revenue Sharing Act*, as amended, authorizes revenues and direct appropriations to be deposited into a special fund, the National Wildlife Refuge Fund (NWRF), and used for payments to counties in which lands are acquired in fee (fee land) or reserved from the public domain (reserved land) and managed by the Service. These revenues are derived from the sale or disposition of (1) products (e.g., timber and gravel); (2) other privileges (e.g., right-of-way and grazing permits); and/or (3) leases for public accommodations or facilities (e.g., oil and gas exploration and development) incidental to, and not in conflict with, refuge purposes.

The Act authorizes payments for Service-managed fee lands based on a formula contained in the Act that entitles counties to whatever is the highest of the following amounts: (1) 25 percent of the net receipts; (2) 3/4 of 1 percent of the fair market value; or (3) 75 cents per acre. Appraisals are updated every 5 years to determine the fair market value. The most recent appraisal cycle began in FY 2005 with about 175 appraisals conducted annually.

Fee land payments to the counties are typically based on the appraised value of each installation. However, for some counties 25 percent of the net receipts yields the highest entitlement amount and therefore, that amount is used for the revenue sharing payment. For example, 25 percent of timber sale receipts may be higher than the percentage of fair market value for some counties in California. If the net revenues are insufficient to make full payments for fee lands according to the formula contained in the Act, direct appropriations are authorized up to an amount equal to the difference between net receipts and full entitlement.

The refuge revenue sharing payments that are made on lands reserved from the public domain and administered by the Service for fish and wildlife purposes are always 25 percent of the net receipts collected from the reserved land in the county. If no receipts are collected, no revenue sharing payment is made. However, the Department makes Payments in Lieu of Taxes (PILT) (31 U.S.C. 6901-6907) on all public domain lands, including Service-reserved land. The Service annually reports to the Department all of our reserved land acres and the revenue sharing amount already paid on those acres. The Department then calculates the PILT amount, subtracts the amount the Service has already paid, and makes the PILT payment to the community.

The *Refuge Revenue Sharing Act* also provides for the payment of certain expenses, for example, the field level expenses incurred in connection with revenue producing activities and the costs for appraisals that are conducted on installations every five years. Such expenses include:

- Salaries of foresters who cruise and mark timber for sale;
- Staff salaries and supplies associated with maintenance of fences in support of grazing;
- Costs associated with sale of surplus animals and collecting refuge share of furs and crops;
- Conducting land appraisals.

Sections 1008 and 1009 of the *Alaska National Interest Lands Conservation Act* (ANILCA), 16 U.S.C. 3148, address procedures for oil and gas leasing on non-North Slope Federal lands in Alaska. Title XI of the Act, 16 U.S.C. 3161, addresses the procedures for transportation and utility systems in and across the Alaska conservation system units. The cost to process an application or administer a permit relating to utility and transportation systems or seismic exploration is paid by the applicant and deposited in the NWRF for reimbursement to the Region.

(Dollars in Thousands)				
National Wildlife Refuge Fund	2005 Actual	2006 Estimate	2007 Estimate	Program Change (+/-)
Receipts / Expenses				
Receipts Collected	11,531	6,500	6,500	-
Expenses for Sales	-3,109	-3,274	-3,274	-
ANILCA Expenses	-1	-100	-100	-
User-Pay Cost Share	[-281]	[-299]	[-302]	-
Net Receipts – available during the following year	8,421	3,126	3,125	-
Payments to Counties				
Receipts Available - collected previous year		8,421	3,126	-5,196
Current Appropriation Request		14,202	10,811	-3,391
Total Available for Payments to Counties		22,623	13,937	-8,587
Entitlement Level		42,000	44,000	+2,000
Percent Payment		54%	30%	-24%

The National Wildlife Refuge Fund supports the DOI Strategic Plan through the Serving Communities Mission Goal, which is to protect lives, resources, and property. The program contributes to Intermediate Outcome Strategy 4: Promote Respect for Private Property/Intermediate Outcome Measure: Payment in Lieu of Taxes (PILT).

2007 Program Performance Estimates

The Service continues to provide numerous benefits to its county partners. Refuge lands provide many public services and place few demands on local infrastructure such as schools, fire, and police services when compared to development that is more intensive. Using a substantial share of refuge and construction dollars for visitor services and facilities brings visitors to refuges and thus increases economic benefits to local communities. For example, recreation on refuges circulates money into local economies when refuge visitors stay in local hotels. Service lands also bring economic and recreational benefits to counties. It is estimated that nearly 37 million people visited national wildlife refuges in 2004, creating almost 24,000 private sector jobs and producing about \$454 million in employment income. Additionally, recreational spending on refuges generated nearly \$151 million in tax revenue at the local, county, state and federal level¹. That figure has more than doubled since the original study was conducted in 1995. The total for sales and tourism related revenue plus employment income consisted of some \$1.4 billion.

¹ **Banking on Nature 2004: The Economic Benefits to Local Communities of National Wildlife Refuge Visitation**

2006 Planned Program Performance

In FY 2006, the Service expects to combine approximately \$8,421,813 in net receipts with \$14,202,000 in appropriated funds to provide \$22,623,813, or about 54 percent of the revenue sharing entitlement, to the counties.

2005 Program Performance Accomplishments

In FY 2005 the Service combined \$3,548,667 in net receipts from FY 2004 with \$14,214,000 in appropriations to direct \$17,762,667 toward payments to counties, or approximately 44 percent of full entitlement.

In FY 2005, receipts collected totaled \$11,530,583. The field level expenses associated with revenue-producing activities and the appraisal expenses in FY 2005 totaled \$3,108,771 (inclusive of CAM). In FY 2005, the expenses for processing and administering ANILCA applications and permits were \$828. This was the cost to complete environmental reviews and process applications for transportation and utility systems in Alaska in FY 2005. Because net revenues from the sale and disposition of products, privileges, and leases were insufficient to make the full payments counties were entitled to receive according to the formulas stipulated in the *Refuge Revenue Sharing Act*, the Service received \$14,214,000 in direct appropriations to supplement payments to counties.

The following table highlights revenues generated in FY 2005. These funds, less expenses, will be used for payments to counties in FY 2006.

Revenue Producing Activity	FY 2005 Receipts
Grazing	\$922,376
Hay	\$340,481
Forest Products	\$7,380,602
Mineral Resources - Oil and Gas	\$1,054,706
Mineral Resources - Sand and Gravel	\$102,151
Surplus Animal Disposal	\$192,395
Furbearers	\$9,540
Public Use Revenues (Concessions)	\$304,403
Public Use Revenues (User fees)	\$511,084
Other Special Use (Bee Hives, Raw Water)	\$707,845
ANILCA - Right of Way	\$5,000
Subtotal	\$11,530,583
FY 2005 Expenses for Sales (includes CAM)	-3,108,770
FY 2005 ANILCA Expenses	-828
Total, FY 2005 Avail. for Payments to States	\$8,420,985

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**DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
NATIONAL WILDLIFE REFUGE FUND**

Program and Financing (in thousands of dollars)

Identification code 14-5091-0-2-806	2005 act.	2006 est.	2007 est.
<u>Obligations by Program Activity:</u>			
00.01 Expenses for sales	3,109	3,274	3,274
00.02 Seismic exploration	1	100	100
00.03 Payments to counties	17,762	22,623	14,036
10.00 Total obligations	20,872	25,997	17,410
<u>Budgetary Resources Available for Obligation:</u>			
21.40 Unobligated balance available, start of year	3,484	8,421	3,225
22.00 New budget authority (gross)	25,745	20,702	17,311
22.10 Resources available from recoveries of prior year obligations	18	0	0
23.90 Total budgetary resources available for obligation	29,247	29,123	20,536
23.95 New obligations (-)	-20,872	-25,898	-17,410
24.40 Unobligated balance available, end of year	8,421	3,225	3,126
<u>New Budget Authority (gross), Detail:</u>			
Current:			
40.00 Appropriation (general fund)	14,214	14,202	10,811
43.00 Appropriation (total)	14,214	14,202	10,811
Permanent:			
60.20 Appropriation (special fund, indefinite)	11,531	6,500	6,500
70.00 Total new budget authority (gross)	25,745	20,702	17,311
<u>Change in Unpaid Obligations:</u>			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	461	213	1,737
73.10 New obligations	20,872	25,997	17,410
73.20 Total outlays, gross (-)	-21,138	-24,473	-17,410
73.45 Recoveries of prior year obligations	18	0	0
74.40 Obligated balance, end of year	213	1,737	1,737
<u>Outlays, (gross) Detail:</u>			
86.90 Outlays from new current authority	14,214	14,202	10,811
86.97 Outlays from new permanent authority	3,440	1,850	3,374
86.98 Outlays from permanent balances	3,484	8,421	3,225
87.00 Total, outlays (gross)	21,138	24,473	17,410
<u>Net Budget Authority and Outlays</u>			
89.00 Budget authority	25,745	20,702	17,311
90.00 Outlays	21,138	24,473	17,410

Amounts vary from MAX/President's Budget due to rounding.

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**DEPARTMENT OF THE INTERIOR
FISH AND WILDLIFE SERVICE
NATIONAL WILDLIFE REFUGE FUND**

Object Classification (in thousands of dollars)

Identification code 14-5091-0-2-806	2005 act.	2006 est.	2007 est.
Direct Obligations			
Personnel compensation:			
11.1 Full-time permanent	1,304	1,337	1,350
11.3 Other than full-time permanent	29	30	30
11.5 Other personnel compensation	14	2	2
11.9 Total personnel compensation	1,347	1,369	1,382
11.21 Civilian personnel benefits	377	385	388
21.0 Travel and transportation of persons	60	25	25
23.1 Rental payments	29	29	31
23.3 Communications, utilities, and misc. charges	51	50	40
24.0 Printing and reproduction	2	2	2
25.2 Other services	125	69	55
25.3 Purchase of goods and services from Gov't accounts	867	1,100	1,100
25.4 Operation and maintenance of facilities	21	20	25
25.6 Medical care	4	1	1
25.7 Operation and maintenance of equipment	11	15	15
25.8 Subsistence and support of persons	2	0	0
26.0 Supplies and materials	165	250	250
31.0 Equipment	40	50	50
32.0 Land and structures	9	10	10
14.10 Grants, subsidies, and contributions	17,762	22,623	14,036
99.99 Total obligations	20,872	25,997	17,410

Personnel Summary

Identification code 14-5091-0-2-806	2005 act.	2006 est.	2007 est.
Direct			
Total compensable workyears:			
Full-time equivalent employment	22	22	22
Average salary per FTE	45,400	45,400	45,400

Amounts vary from MAX/President's Budget due to rounding.